



Moody's Investors Service

Global Credit Research
Summary Opinion
24 APR 2002

Summary Opinion: [San Bernardino County Investment Pool](#)

San Bernardino County Investment Pool

Ratings and Contacts

Category	Moody's Rating
Local Government Investment Pool	Aaa/MR1
Analyst	Phone
Douglas A. Rivkin/New York	1.212.553.1653
Henry Shilling/New York	
Chester Murray/New York	

Investment Objective

The Treasurer seeks to safeguard invested principal, to maintain sufficient portfolio liquidity to meet daily cash requirements, and to achieve a reasonable rate of return or yield consistent with these objectives.

Fund Profile

San Bernardino County Investment Pool

Years Ended:	2001	2000	1999	4/30/99
Total Net Assets (\$ Mil.)	2,171.3	[1]2,326.1	1,549.9	1651.2
WAM Range (min. & max in days)	243-415	255-346	251-349	250-355
WAM Average (in days)	329	309	316	320
Effective Yield (30 day)	4.36%	6.44%	5.19%	5.04%

[1] Includes accrued interest (\$22,356,344)

Fund Facts

Advisor:	San Bernardino County Treasurer
Registered In:	California, United States
Custodian:	Bank of New York (California)
Fund Phone:	1.909.387.6382
Web Address:	www.co.san.bernardino.ca.us/treasury
Rating Assigned:	8 July 1999

Bloomberg Ticker: 6436Z US

Shareholder Base: Governmental Entities

Opinion

The Aaa local government investment pool credit rating and a MR1 market risk rating to the San Bernardino County Investment Pool reflects the strong overall credit quality of the pool's investments, the highly liquid portfolio structure relative to the pool's cash flow requirements, and the conservative investment guidelines and practices of the Treasurer, who is responsible for safeguarding the invested principal. The rating also reflects the pool's excellent operating controls and compliance procedures with respect to trade execution, documentation, and portfolio review.

The MR1 market risk rating -- which provides a means for evaluating the volatility associated with the value of a participant's investment in a local government investment pool, as well as the potential for loss -- reflects San Bernardino County's stringent investment guidelines, conservative asset composition and maturity limitations.

The San Bernardino County Investment Pool represents monies entrusted to the San Bernardino County Treasurer by the County of San Bernardino and by other governmental entities within the county. The pool is run according to the conservative investment policies and practices adopted by the treasurer to conform with the California Government Code, as well as the counties' own more restrictive guidelines. In addition to safeguarding invested principal, the treasurer is also required to maintain sufficient portfolio liquidity to meet daily cash flow requirements and to achieve a reasonable rate of return or yield consistent with these objectives.

Permissible investments include securities issued by the U.S. government, its agencies or instrumentalities; commercial paper; bankers acceptances and certificates of deposit; and corporate medium term notes; repurchase agreements with high quality counterparties; and Moody's rated money market funds. The pool seeks to maintain an effective duration of less than 1 year.

The County of San Bernardino, its board governed special districts and its school districts, as mandatory participants, represent 97% of the money deposited in the pool. This captive investor base results in a low investor sensitivity to yield and a more predictable cash flow profile for the pool. Consequently, risk due to unexpected or volatile cash flow is expected to be minimal. By maintaining a sufficient liquidity position in the portfolio at all times, the treasurer can allow participants to deposit and withdraw funds at the "full dollar amount" without making any allowance or pro-rata adjustments for the current market value of the portfolio.

ALL INFORMATION CONTAINED HEREIN IS COPYRIGHTED IN THE NAME OF MOODY'S INVESTORS SERVICE, INC. ("MOODY'S"), AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT. All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human and mechanical error as well as other factors, however, such information is provided "as is" without warranty of any kind and MOODY'S, in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness, completeness, merchantability or fitness for any particular purpose of any such information. Under no circumstance shall MOODY'S have any liability to any person or entity for (a) any loss or damage in whole or in part caused by, resulting from, or relating to any error (negligent or otherwise) or other circumstance or contingency within or outside the control of MOODY'S or any of its directors, officers, employees or agents in connection with the procurement, collection, compilation, interpretation, communication, publication or delivery of any such information, or (b) any direct, indirect, special, consequential, compensatory or incidental damages whatsoever (including without limitation, lost profits), even if MOODY'S is advised in advance of the possibility of such damages, resulting from the use of, or inability to use, any such information. The credit ratings, if any, constituting part of the information contained herein are, and must be construed solely as, statements of opinion and not statements of fact or recommendations to purchase, sell or hold any securities. NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY SUCH RATING OR OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER. Each rating or other opinion must be weighed solely as one factor in any investment decision made by or on behalf of any user of the information contained herein, and each such user must accordingly make its own study and evaluation of each security and of each issuer and guarantor of, and each provider of credit support for, each security that it may consider purchasing, holding or selling. Pursuant to Section 17(b) of the Securities Act of 1933, MOODY'S hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by MOODY'S have, prior to assignment of any rating, agreed to pay MOODY'S for the appraisal and rating services rendered by it fees ranging from \$1,000 to \$1,500,000.